

Laguna Resorts & Hotels Public Company Limited
and its subsidiaries
Review report and interim financial information
For the three-month and nine-month periods ended
30 September 2021

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Laguna Resorts & Hotels Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Laguna Resorts & Hotels Public Company Limited and its subsidiaries (the Group) as at 30 September 2021, the related consolidated statements of income and comprehensive income for the three-month and nine-month periods then ended, and the related consolidated statements of changes in shareholders' equity and cash flows for the nine-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Laguna Resorts & Hotels Public Company Limited for the same periods (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.

Emphasis of matters

I draw attention to Note 1.2 to the interim consolidated financial statements. The Coronavirus disease 2019 (COVID-19) pandemic in Thailand is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries, including the Group's business activities. Currently, the Group is able to resume their operations and business activities due to relaxation of COVID-19 measures issued by Thai Government, especially the Phuket Sandbox project which started in July 2021 to reopen the country to foreign visitors. However, the number of foreign and local customers have not yet been restored as the situation is ongoing. These are significantly impacting the Group's financial position, operating results, and cash flows at present, including compliance with debt covenants, and is expected to do so in the future.

The Group's management has continuously monitored the ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgment in respect of various issues as the situation has evolved.

My conclusion is not modified in respect of this matter.

Pimjai Manitkajohnkit

Certified Public Accountant (Thailand) No. 4521

EY Office Limited

Bangkok: 12 November 2021

Laguna Resorts & Hotels Public Company Limited and its subsidiaries

Statement of financial position

As at 30 September 2021

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2021	31 December 2020	30 September 2021	31 December 2020
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents	2	414,743	568,735	153,560	146,681
Trade and other receivables	3	695,365	782,756	265,243	208,490
Inventories		60,224	72,767	-	-
Property development cost	5	4,189,144	4,164,706	111,429	111,429
Cost to obtain contracts with customers		108,786	101,312	-	-
Other current financial asset		2,269	2,269	2,269	2,269
Other current assets		115,100	156,912	7,151	20,055
Total current assets		5,585,631	5,849,457	539,652	488,924
Non-current assets					
Long-term restricted deposit at financial institution		38,085	38,034	-	-
Other non-current financial assets	6	860,669	713,181	-	-
Long-term trade accounts receivable	7	521,854	723,503	-	-
Investments in subsidiaries	8	-	-	4,242,655	4,242,655
Investments in associates	9	981,009	960,374	777,454	777,454
Long-term loans to subsidiaries	4	-	-	1,243,550	1,255,550
Investment properties	10	1,382,223	1,410,577	181,602	181,602
Property, plant and equipment	11	12,398,487	12,653,409	39,200	41,690
Right-of-use assets	12	42,247	56,541	1,550	3,039
Deferred tax assets		38,310	45,009	-	-
Goodwill		407,904	407,904	-	-
Other non-current assets		54,740	13,194	9,438	1,344
Total non-current assets		16,725,528	17,021,726	6,495,449	6,503,334
Total assets		22,311,159	22,871,183	7,035,101	6,992,258

The accompanying notes to interim consolidated financial statements are an integral part of the financial statements.

Laguna Resorts & Hotels Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 September 2021

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2021	31 December 2020	30 September 2021	31 December 2020
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	13	1,306,078	1,308,804	670,000	670,000
Trade and other payables	14	1,413,120	1,396,738	263,877	187,234
Current portion of long-term loans from financial institutions	17	658,357	737,411	27,750	26,500
Current portion of lease liabilities	15	47,095	40,168	6,877	6,017
Income tax payable		12,638	10,195	-	-
Advance received from customers		874,888	835,916	-	-
Other current liabilities	16	220,406	226,785	14,911	12,878
Total current liabilities		4,532,582	4,556,017	983,415	902,629
Non-current liabilities					
Long-term loans from subsidiaries	4	-	-	180,500	132,500
Long-term loan from related company	4	26,950	26,950	-	-
Long-term loans from financial institutions - net of current portion	17	4,494,653	4,357,659	1,327,042	1,327,695
Provision for long-term employee benefits		122,748	113,276	24,151	29,213
Long-term provision	29	-	1,774	-	-
Deferred tax liabilities		2,856,346	2,810,792	115,253	116,104
Lease liabilities, net of current portion	15	33,520	38,642	772	117
Other non-current liabilities		139,975	213,960	11,690	34,706
Total non-current liabilities		7,674,192	7,563,053	1,659,408	1,640,335
Total liabilities		12,206,774	12,119,070	2,642,823	2,542,964
Shareholders' equity					
Share capital					
Registered					
211,675,358 ordinary shares of Baht 10 each		2,116,754	2,116,754	2,116,754	2,116,754
Issued and fully paid-up					
166,682,701 ordinary shares of Baht 10 each		1,666,827	1,666,827	1,666,827	1,666,827
Share premium		2,062,461	2,062,461	2,062,461	2,062,461
Capital reserve		568,131	568,131	-	-
Retained earnings					
Appropriated - statutory reserve		211,675	211,675	211,675	211,675
Unappropriated		(301,276)	447,534	310,002	367,018
Other components of shareholders' equity		5,781,376	5,675,948	141,313	141,313
Equity attributable to owners of the Company		9,989,194	10,632,576	4,392,278	4,449,294
Equity attributable to non-controlling interests of the subsidiaries		115,191	119,537	-	-
Total shareholders' equity		10,104,385	10,752,113	4,392,278	4,449,294
Total liabilities and shareholders' equity		22,311,159	22,871,183	7,035,101	6,992,258

The accompanying notes to interim consolidated financial statements are an integral part of the financial statements.

Directors

(Unaudited but reviewed)

Laguna Resorts & Hotels Public Company Limited and its subsidiaries**Income statement****For the three-month period ended 30 September 2021**

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Revenues	18				
Revenue from hotel operations		138,059	109,408	-	-
Revenue from property development operations		102,353	68,434	-	-
Revenue from office rental operations		6,786	6,856	1,049	1,029
Other income	19	4,707	3,928	16,239	23,976
Total revenues		251,905	188,626	17,288	25,005
Expenses					
Cost of hotel operations		194,066	159,357	-	-
Cost of property development operations		55,403	55,594	-	-
Cost of office rental operations		5,000	2,976	1,199	1,003
Selling expenses		27,323	16,167	53	25
Administrative expenses		184,339	184,287	30,652	23,642
Total expenses		466,131	418,381	31,904	24,670
Operating profit (loss)		(214,226)	(229,755)	(14,616)	335
Share of profit (loss) from investments in associates	9	3,042	(3,773)	-	-
Finance income		11,683	13,082	13,812	16,916
Finance cost	20	(55,392)	(54,337)	(19,813)	(18,410)
Loss before income tax expenses		(254,893)	(274,783)	(20,617)	(1,159)
Income tax revenue (expenses)	21	(26,358)	(3,882)	(1,347)	770
Loss for the period		(281,251)	(278,665)	(21,964)	(389)
Loss attributable to:					
Equity holders of the Company		(279,229)	(275,011)	(21,964)	(389)
Non-controlling interests of the subsidiaries		(2,022)	(3,654)		
		(281,251)	(278,665)		
Earnings per share					
Basic earnings per share	22				
Loss attributable to equity holders of the Company		(1.68)	(1.65)	(0.13)	(0.002)

The accompanying notes to interim consolidated financial statements are an integral part of the financial statements.

(Unaudited but reviewed)

Laguna Resorts & Hotels Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 30 September 2021

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Loss for the period		<u>(281,251)</u>	<u>(278,665)</u>	<u>(21,964)</u>	<u>(389)</u>
Other comprehensive income (loss):					
<i>Other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods</i>					
Exchange differences on translation of financial statements in foreign currency		(2,641)	(48)	-	-
Share of other comprehensive income from associates	9	4,453	1,627	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods, net of income tax		1,812	1,579	-	-
<i>Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods</i>					
Gains on changes in investments in equity designated at fair value through other comprehensive income		11,427	-	-	-
Share of other comprehensive income (loss) from associates	9	(278)	(1,187)	-	-
Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods, net of income tax		11,149	(1,187)	-	-
Other comprehensive income for the period		<u>12,961</u>	<u>392</u>	<u>-</u>	<u>-</u>
Total comprehensive income (loss) for the period		<u>(268,290)</u>	<u>(278,273)</u>	<u>(21,964)</u>	<u>(389)</u>
Total comprehensive income (loss) attributable to:					
Equity holders of the Company		(265,888)	(274,530)	(21,964)	(389)
Non-controlling interests of the subsidiaries		(2,402)	(3,743)	-	-
		<u>(268,290)</u>	<u>(278,273)</u>		

The accompanying notes to interim consolidated financial statements are an integral part of the financial statements.

(Unaudited but reviewed)

Laguna Resorts & Hotels Public Company Limited and its subsidiaries**Income statement****For the nine-month period ended 30 September 2021**

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Revenues	18				
Revenue from hotel operations		348,643	1,048,560	-	14,011
Revenue from property development operations		509,348	349,110	-	-
Revenue from office rental operations		20,505	29,171	2,909	8,197
Other income	19	27,699	12,589	57,024	85,036
Total revenues		906,195	1,439,430	59,933	107,244
Expenses					
Cost of hotel operations		585,081	889,414	-	16,942
Cost of property development operations		261,485	197,997	-	-
Cost of office rental operations		14,790	18,683	3,194	3,818
Selling expenses		80,681	125,887	112	1,148
Administrative expenses		559,583	790,623	98,699	77,629
Total expenses		1,501,620	2,022,604	102,005	99,537
Operating profit (loss)		(595,425)	(583,174)	(42,072)	7,707
Share of profit from investments in associates	9	22,734	2,171	-	-
Finance income		36,516	39,845	42,158	65,942
Finance cost	20	(182,445)	(179,946)	(57,953)	(65,014)
Profit (loss) before income tax expenses		(718,620)	(721,104)	(57,867)	8,635
Income tax revenue (expenses)	21	(50,485)	(111,728)	851	(13,620)
Loss for the period		(769,105)	(832,832)	(57,016)	(4,985)
Loss attributable to:					
Equity holders of the Company		(767,202)	(824,682)	(57,016)	(4,985)
Non-controlling interests of the subsidiaries		(1,903)	(8,150)		
		(769,105)	(832,832)		
Earnings per share					
Basic earnings per share	22				
Loss attributable to equity holders of the Company		(4.60)	(4.95)	(0.34)	(0.03)

The accompanying notes to interim consolidated financial statements are an integral part of the financial statements.

(Unaudited but reviewed)

Laguna Resorts & Hotels Public Company Limited and its subsidiaries

Statement of comprehensive income

For the nine-month period ended 30 September 2021

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Loss for the period		<u>(769,105)</u>	<u>(832,832)</u>	<u>(57,016)</u>	<u>(4,985)</u>
Other comprehensive income (loss):					
<i>Other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods</i>					
Exchange differences on translation of financial statements in foreign currency		(4,084)	92	-	-
Share of other comprehensive income from associates	9	8,552	2,655	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods, net of income tax		4,468	2,747	-	-
<i>Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods</i>					
Gains on changes in investments in equity designated at fair value through other comprehensive income		117,990	-	-	-
Share of other comprehensive income (loss) from associates	9	1,187	(3,281)	-	-
Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods, net of income tax		119,177	(3,281)	-	-
Other comprehensive income (loss) for the period		<u>123,645</u>	<u>(534)</u>	<u>-</u>	<u>-</u>
Total comprehensive income (loss) for the period		<u>(645,460)</u>	<u>(833,366)</u>	<u>(57,016)</u>	<u>(4,985)</u>
Total comprehensive income (loss) attributable to:					
Equity holders of the Company		(643,382)	(825,106)	<u>(57,016)</u>	<u>(4,985)</u>
Non-controlling interests of the subsidiaries		(2,078)	(8,260)		
		<u>(645,460)</u>	<u>(833,366)</u>		

The accompanying notes to interim consolidated financial statements are an integral part of the financial statements.

(Unaudited but reviewed)

Laguna Resorts & Hotels Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the nine-month period ended 30 September 2021

(Unit: Thousand Baht)

Consolidated financial statements													
Equity attributable to the owners of the Company													
Other components of shareholders' equity													
Other comprehensive income													
Issued and fully paid-up share capital	Share premium	Capital reserve	Retained earnings		Exchange differences on translation of financial statements in foreign currency	Revaluation surplus on assets	Gains on investments in equity designated at fair value through other comprehensive income	Share of other comprehensive income (loss) from associates	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity	
			Appropriated - statutory reserve	Unappropriated									
Balance as at 1 January 2020	1,666,827	2,062,461	568,131	211,675	1,857,861	124,328	5,580,940	274,156	(611)	5,978,813	12,345,768	139,879	12,485,647
Loss for the period	-	-	-	-	(824,682)	-	-	-	-	-	(824,682)	(8,150)	(832,832)
Other comprehensive income (loss) for the period	-	-	-	-	-	202	-	-	(626)	(424)	(424)	(110)	(534)
Total comprehensive income (loss) for the period	-	-	-	-	(824,682)	202	-	-	(626)	(424)	(825,106)	(8,260)	(833,366)
Dividend paid (Note 23)	-	-	-	-	(500,042)	-	-	-	-	-	(500,042)	-	(500,042)
Reversal of revaluation surplus on disposal of assets	-	-	-	-	6,472	-	(6,472)	-	-	(6,472)	-	-	-
Additional investment in subsidiary	-	-	-	-	-	-	-	-	-	-	-	800	800
Balance as at 30 September 2020	<u>1,666,827</u>	<u>2,062,461</u>	<u>568,131</u>	<u>211,675</u>	<u>539,609</u>	<u>124,530</u>	<u>5,574,468</u>	<u>274,156</u>	<u>(1,237)</u>	<u>5,971,917</u>	<u>11,020,620</u>	<u>132,419</u>	<u>11,153,039</u>
Balance as at 1 January 2021	1,666,827	2,062,461	568,131	211,675	447,534	124,299	5,478,403	85,453	(12,207)	5,675,948	10,632,576	119,537	10,752,113
Loss for the period	-	-	-	-	(767,202)	-	-	-	-	-	(767,202)	(1,903)	(769,105)
Other comprehensive income (loss) for the period	-	-	-	-	-	(3,909)	-	117,990	9,739	123,820	123,820	(175)	123,645
Total comprehensive income (loss) for the period	-	-	-	-	(767,202)	(3,909)	-	117,990	9,739	123,820	(643,382)	(2,078)	(645,460)
Subsidiary paid dividend to non-controlling interests of the subsidiary (Note 8)	-	-	-	-	-	-	-	-	-	-	-	(2,268)	(2,268)
Reversal of revaluation surplus on disposal of assets	-	-	-	-	18,392	-	(18,392)	-	-	(18,392)	-	-	-
Balance as at 30 September 2021	<u>1,666,827</u>	<u>2,062,461</u>	<u>568,131</u>	<u>211,675</u>	<u>(301,276)</u>	<u>120,390</u>	<u>5,460,011</u>	<u>203,443</u>	<u>(2,468)</u>	<u>5,781,376</u>	<u>9,989,194</u>	<u>115,191</u>	<u>10,104,385</u>
	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-

The accompanying notes to interim consolidated financial statements are an integral part of the financial statements.

(Unaudited but reviewed)

Laguna Resorts & Hotels Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the nine-month period ended 30 September 2021

(Unit: Thousand Baht)

Separate financial statements

	Issued and fully paid-up share capital		Retained earnings		Other components of shareholders' equity				
					Appropriated - statutory reserve	Unappropriated	Other comprehensive	Total other	Total
							income	components of	
	Share premium			Revaluation	equity	shareholders' equity			
Balance as at 1 January 2020	1,666,827	2,062,461	211,675	901,083	141,313	141,313	4,983,359		
Loss for the period	-	-	-	(4,985)	-	-	(4,985)		
Other comprehensive income for the period	-	-	-	-	-	-	-		
Total comprehensive income (loss) for the period	-	-	-	(4,985)	-	-	(4,985)		
Dividend paid (Note 23)	-	-	-	(500,042)	-	-	(500,042)		
Balance as at 30 September 2020	<u>1,666,827</u>	<u>2,062,461</u>	<u>211,675</u>	<u>396,056</u>	<u>141,313</u>	<u>141,313</u>	<u>4,478,332</u>		
Balance as at 1 January 2021	1,666,827	2,062,461	211,675	367,018	141,313	141,313	4,449,294		
Loss for the period	-	-	-	(57,016)	-	-	(57,016)		
Other comprehensive income for the period	-	-	-	-	-	-	-		
Total comprehensive income (loss) for the period	-	-	-	(57,016)	-	-	(57,016)		
Balance as at 30 September 2021	<u>1,666,827</u>	<u>2,062,461</u>	<u>211,675</u>	<u>310,002</u>	<u>141,313</u>	<u>141,313</u>	<u>4,392,278</u>		
	-	-	-	-	-	-	-		
	-	-	-	-	-	-	-		

The accompanying notes to interim consolidated financial statements are an integral part of the financial statements.

(Unaudited but reviewed)

Laguna Resorts & Hotels Public Company Limited and its subsidiaries**Cash flow statement****For the nine-month period ended 30 September 2021**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from operating activities				
Profit (loss) before income tax expenses	(718,620)	(721,104)	(57,867)	8,635
Adjustments to reconcile profit (loss) before income tax expenses to net cash provided by (paid from) operating activities:				
Depreciation	342,552	350,984	6,610	8,282
Allowance for expected credit losses (reversal)	20,838	(1,117)	2,359	(40)
Reduction of inventory to net realisable value (reversal)	322	(32)	-	-
Reduction of property development cost to net realisable value (reversal)	(531)	22,000	-	-
Share of profit from investments in associates	(22,734)	(2,171)	-	-
Gain on sales of property, plant and equipment	(15,020)	(2,862)	-	-
Write off property development cost	-	137,800	-	-
Write off property, plant and equipment	2	10	-	-
Dividend income from investment in subsidiary	-	-	(2,494)	-
Dividend income from investment in associate	-	-	(11,838)	(11,838)
Impairment of right-of-use assets	1,867	28,469	625	-
Deferred gain on right-of-use assets	4,738	-	-	-
Provision for long-term employee benefits	19,019	68,643	2,202	377
Provision for legal case	(355)	-	-	-
Forfeited money from property units	-	(2,905)	-	-
Finance income	(36,516)	(39,845)	(42,158)	(65,942)
Finance cost	182,445	179,946	57,953	65,014
Profit (loss) from operating activities before changes in operating assets and liabilities	(221,993)	17,816	(44,608)	4,488
Operating assets (increase) decrease				
Trade and other receivables	66,554	108,279	(18,503)	(64,924)
Inventories	12,221	6,802	-	-
Property development cost	(16,229)	(381,653)	-	-
Cost to obtain contracts with customers	(7,474)	(17,424)	-	-
Other current assets	26,773	84,874	7,346	(3,117)
Long-term trade accounts receivable	201,649	202,667	-	-
Other non-current assets	(41,546)	182	(8,094)	-
Operating liabilities increase (decrease)				
Trade and other payables	(182,020)	(68,833)	9,417	22,131
Advance received from customers	38,972	400,429	-	(175)
Other current liabilities	(5,407)	(54,465)	2,074	(11,872)
Cash paid for provision for long-term employee benefits	(9,547)	(85,172)	(7,264)	(2,521)
Cash paid for long-term provision for legal case	(1,419)	-	-	-
Other non-current liabilities	(2,346)	318	(441)	95
Cash flows from (used in) operating activities	(141,812)	213,820	(60,073)	(55,895)
Cash received from interest income	36,515	39,884	1,549	11,019
Cash received from income tax refund	14,082	-	5,958	-
Cash paid for interest expenses	(57,858)	(134,227)	(12,538)	(47,477)
Cash paid for income tax	(28,367)	(49,891)	(400)	(228)
Net cash flows from (used in) operating activities	(177,440)	69,586	(65,504)	(92,581)

The accompanying notes to interim consolidated financial statements are an integral part of the financial statements.

(Unaudited but reviewed)

Laguna Resorts & Hotels Public Company Limited and its subsidiaries**Cash flow statement (continued)****For the nine-month period ended 30 September 2021**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from investing activities				
Increase in long-term restricted deposits at financial institutions	(51)	(125)	-	-
Cash received from long-term loans to subsidiaries	-	-	258,000	897,500
Cash paid for long-term loans to subsidiaries	-	-	(246,000)	(429,500)
Dividend received from investment in subsidiary	-	-	2,494	-
Dividend received from investment in associate	11,838	11,838	11,838	11,838
Cash received from sales of property, plant and equipment	22,983	3,000	-	-
Cash paid for acquisition of property, plant and equipment	(46,243)	(96,140)	(1,507)	(1,975)
Net cash flows from (used in) investing activities	(11,473)	(81,427)	24,825	477,863
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans				
from financial institutions	(2,726)	191,182	-	20,000
Draw down of long-term loans from subsidiaries	-	-	470,000	424,500
Repayment of long-term loans from subsidiaries	-	-	(422,000)	(444,000)
Draw down of long-term loans from financial institutions	295,278	493,070	-	-
Repayment of long-term loans from financial institutions	(238,481)	(424,433)	-	(10,500)
Payment of lease liabilities	(10,384)	(8,698)	(442)	(1,586)
Dividend paid	(2,268)	(369,994)	-	(369,994)
Cash received from registered share capital of subsidiary - non-controlling interests	-	800	-	-
Net cash flows from (used in) financing activities	41,419	(118,073)	47,558	(381,580)
Net exchange differences on translation of financial statements in foreign currency	(6,498)	749	-	-
Net increase (decrease) in cash and cash equivalents	(153,992)	(129,165)	6,879	3,702
Cash and cash equivalents at beginning of period	568,735	632,544	146,681	21,706
Cash and cash equivalents at end of period (Note 2)	414,743	503,379	153,560	25,408

Supplemental cash flows information

Non-cash items

Share of comprehensive income (loss) from associates	9,739	(626)	-	-
Reversal of revaluation surplus on disposal of assets	18,392	6,472	-	-
Interest recorded as property development cost	7,678	4,997	-	-
Addition of right-of-use assets and lease liabilities	11,867	-	1,789	-
Transfer of property development cost to property, plant and equipment	-	24,008	-	-
Transfer of property, plant and equipment to property development cost	-	52,128	-	-
Transfer of investment properties to property, plant and equipment	28,354	-	-	-
Dividend payable	-	130,048	-	130,048

The accompanying notes to interim consolidated financial statements are an integral part of the financial statements.

Laguna Resorts & Hotels Public Company Limited and its subsidiaries

Notes to interim consolidated financial statements

For the three-month and nine-month periods ended 30 September 2021

1. General information

1.1 Corporate information

Laguna Resorts & Hotels Public Company Limited (“the Company”, “LRH”) is a public company incorporated and domiciled in Thailand. Its major shareholder is Banyan Tree Assets (Thailand) Company Limited, which is incorporated in Thailand. The parent company of the Group is Banyan Tree Holdings Limited, which is incorporated in Singapore.

The Group is principally engaged in the hotel business and property development. There are five hotels in Laguna Phuket, namely Angsana Laguna Phuket, Banyan Tree Phuket, Angsana Villas Resort Phuket, Cassia Phuket and Laguna Holiday Club Phuket Resort, located in Phuket province and one hotel, Banyan Tree Bangkok, located in Bangkok. The subsidiaries are also engaged in operating golf clubs (Laguna Golf Phuket and Laguna Golf Bintan), sales of merchandise (Banyan Tree Gallery), spa, office and shop rental and sale of holiday club memberships.

The registered office of the Company is at 21/17B, 21/17C, 21/65, 21/66 and 21/68 Thai Wah Tower 1, 7th, 22nd and 24th Floor, South Sathorn Road, Tungmahamek, Sathorn, Bangkok.

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 (COVID-19) pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. Like almost all businesses in the hospitality industry in Thailand, the COVID-19 pandemic has significantly impacted the Group’s businesses, especially the hotel business.

On 1 July 2021, the Phuket Sandbox has been commenced and the Group has been one of the spearheads, together with government authorities, our peers in the tourism sector and all our staffs, in collaborating and leading the “Phuket Sandbox” initiatives, with an utmost attempt to bring back tourism momentum to Phuket and Thailand.

To further improve the Group’s hotel business, the Group has launched numerous promotional campaigns through trade fairs and social media by offering attractive value-added hotel packages.

(Unaudited but reviewed)

The Group has also taken extensive measures to reduce its overhead expenses through an unpaid leave scheme, delaying unnecessary expenditure, rationalising its workforce, and a corporate restructuring to improve productivity which has significantly reduced its “burn rate”. The Group has also successfully negotiated with its bank to restructure its principal loan repayments and interest payments to a long term repayment plan as well as new loans to ensure stronger liquidity position.

In terms of the property development business, the Group has still performed the construction of some of its property projects during the period. Despite the pandemic, the Group is able to sell new properties continuously.

Nevertheless, the COVID-19 pandemic continues to impact the Group’s financial position, operating results, and cash flows at present, including compliance with debt covenants, and is expected to do so in the future. The Group’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

1.3 Basis for the preparation of interim financial information

This interim financial information is prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, income, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial information is intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. This interim financial information should therefore be read in conjunction with the latest annual financial statements.

The interim financial information in Thai language is the official statutory financial information of the Company. The interim financial information in English language has been translated from the Thai language financial information.

1.4 Basis of consolidation

This interim financial information include the financial statements of Laguna Resorts & Hotels Public Company Limited and its subsidiaries (“the Group”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2020. There have been no changes in the composition of the subsidiaries during the period.

1.5 New financial reporting standards

(a) Financial reporting standards that became effective in the current period

During the period, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

(b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

1.6 Significant accounting policies

The interim financial information is prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2020.

2. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2021	2020	2021	2020
Cash	3,174	5,684	148	138
Bank deposits	411,569	563,051	153,412	146,543
Total	414,743	568,735	153,560	146,681

(Unaudited but reviewed)

3. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2021	31 December 2020	30 September 2021	31 December 2020
<u>Trade accounts receivable</u>				
Trade accounts receivable - hotel operations	109,943	132,156	7,131	7,291
Less: Allowance for expected credit losses	(46,686)	(33,285)	(6,778)	(4,419)
Trade accounts receivable - hotel operations, net	63,257	98,871	353	2,872
Trade accounts receivable - sales of property				
- installments due	59,353	126,351	-	-
Current portion of long-term trade				
accounts receivable (Note 7)	317,426	335,992	-	-
Less: Deferred interest income	(732)	-	-	-
Net	316,694	335,992	-	-
Trade accounts receivable - sales of property, net	376,047	462,343	-	-
Trade accounts receivable - sales of holiday club				
memberships - installments due and trade				
accounts receivable from sales and marketing				
services for holiday club memberships	66,288	48,559	-	-
Current portion of long-term trade				
accounts receivable (Note 7)	-	76	-	-
Trade accounts receivable - sales of holiday club				
memberships and sales and marketing services				
for holiday club memberships	66,288	48,635	-	-
Less: Allowance for expected credit losses	(24,793)	(17,256)	-	-
Trade accounts receivable - sales of holiday club				
memberships and sales and marketing services for				
holiday club memberships, net	41,495	31,379	-	-
Trade accounts receivable, net	480,799	592,593	353	2,872
<u>Other receivables</u>				
Amounts due from related parties (Note 4)	87,120	80,218	259,092	181,768
Villa owner receivables	111,363	79,088	2,370	2,389
Accrued rental income	3,181	20,959	3,181	20,959
Other receivables	12,902	9,898	247	502
Total other receivables	214,566	190,163	264,890	205,618
Trade and other receivables, net	695,365	782,756	265,243	208,490

(Unaudited but reviewed)

The balances of trade accounts receivable - hotel operations, aged on the basis of due dates, are summarised below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2021	31 December 2020	30 September 2021	31 December 2020
<u>Age of receivables</u>				
Not yet due	20,512	15,749	104	155
Past due				
Up to 30 days	8,975	18,953	109	116
31 - 60 days	7,920	12,320	38	28
61 - 90 days	1,267	3,442	5	35
91 - 120 days	2,194	1,546	5	19
Over 120 days	69,075	80,146	6,870	6,938
Total	109,943	132,156	7,131	7,291
Less: Allowance for expected credit losses	(46,686)	(33,285)	(6,778)	(4,419)
Trade accounts receivable - hotel operations, net	<u>63,257</u>	<u>98,871</u>	<u>353</u>	<u>2,872</u>

The balances of trade accounts receivable - sales of property, aged on the basis of due dates, are summarised below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2021	31 December 2020	30 September 2021	31 December 2020
<u>Age of receivables</u>				
Not yet due	304,081	364,129	-	-
Past due				
Up to 30 days	12,913	39,779	-	-
31 - 60 days	12,216	18,258	-	-
61 - 90 days	8,220	8,545	-	-
91 - 120 days	7,309	9,116	-	-
Over 120 days	32,040	22,516	-	-
Total	376,779	462,343	-	-
Less: Deferred interest income	(732)	-	-	-
Trade accounts receivable - sales of property, net	<u>376,047</u>	<u>462,343</u>	<u>-</u>	<u>-</u>

(Unaudited but reviewed)

The balances of installments due of trade accounts receivable - sales of holiday club memberships and sales and marketing services for holiday club memberships, aged on the basis of due dates, are summarised below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2021	31 December 2020	30 September 2021	31 December 2020
<u>Age of receivables</u>				
Not yet due	1,117	1,205	-	-
Past due				
Up to 30 days	85	432	-	-
31 - 60 days	430	470	-	-
61 - 90 days	459	877	-	-
91 - 120 days	427	1,960	-	-
Over 120 days	63,770	43,691	-	-
Total	66,288	48,635	-	-
Less: Allowance for expected credit losses	(24,793)	(17,256)	-	-
Trade accounts receivable - sales of holiday club memberships - installment due and trade accounts receivable from sales and marketing services for holiday club memberships, net	41,495	31,379	-	-

4. Related party transactions

During the periods, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and agreed upon basis between the Company, its subsidiaries and those related parties.

(Unaudited but reviewed)

(Unit: Million Baht)

	For the three-month periods ended				Transfer pricing policy
	30 September				
	Consolidated		Separate		
	financial statements		financial statements		
	2021	2020	2021	2020	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Guarantee fee expenses	-	-	5	2	(2) agreed basis
Interest income	-	-	14	17	(4) agreement
Interest expenses	-	-	2	2	(4) agreement
Management fee income	-	-	13	23	(3) agreed basis
Reimbursement receipts	-	-	1	-	(9) agreed basis
Reimbursement payments	-	-	1	1	(9) agreed basis
Rental and service expenses	-	-	2	2	(10)(iii), (iv) agreement
Resort service expenses	-	-	1	1	(12) agreed basis
Dividend income	-	-	2	-	As declared
<u>Transactions with associates</u>					
Reimbursement receipts	-	1	-	-	(9) agreed basis
Rental and service income	3	3	-	-	(10)(iv) agreement
<u>Transactions with related companies</u>					
Inter resort payments	1	1	-	-	(1) agreed basis
Management fee income	-	2	-	1	(13), (14) agreement
Management fee expenses	4	(2)	-	-	(5) agreement
Sale of goods	3	-	-	-	(7) agreed basis
Reimbursement receipts	2	6	(2)	2	(9) agreed basis
Reimbursement payments	13	16	-	-	(9) agreed basis
Rental and service income	5	2	-	-	(10)(i), (ii), (iv), (v) agreement
Rental return on hotel units	-	1	-	-	(11) agreement
Resort service income	1	-	-	-	(12) agreed basis
Service fees	15	-	-	-	(6), (15) agreed basis
Purchase of operating assets	2	-	-	-	At net book value plus 5% markup

(Unaudited but reviewed)

(Unit: Million Baht)

	For the nine-month periods ended				Transfer pricing policy
	30 September				
	Consolidated financial statements		Separate financial statements		
2021	2020	2021	2020		
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Guarantee fee income	-	-	1	1	(2) agreed basis
Guarantee fee expenses	-	-	15	5	(2) agreed basis
Interest income	-	-	42	66	(4) agreement
Interest expenses	-	-	4	10	(4) agreement
Management fee income	-	-	38	68	(3) agreed basis
Reimbursement receipts	-	-	1	1	(9) agreed basis
Reimbursement payments	-	-	21	3	(9) agreed basis
Rental and service income	-	-	1	2	(10)(iii) agreement
Rental and service expenses	-	-	5	5	(10)(iii), (iv) agreement
Resort service expenses	-	-	3	5	(12) agreed basis
Dividend income	-	-	2	-	As declared
<u>Transactions with associates</u>					
Reimbursement receipts	1	2	-	-	(9) agreed basis
Reimbursement payments	-	1	-	-	(9) agreed basis
Rental and service income	11	11	-	-	(10)(iv) agreement
Dividend income	-	-	12	12	As declared
<u>Transactions with related companies</u>					
Inter resort payments	3	14	-	-	(1) agreed basis
Management fee income	-	4	-	3	(13), (14) agreement
Management fee expenses	12	51	-	-	(5) agreement
Sale of goods	4	2	-	-	(7) agreed basis
Reimbursement receipts	27	26	6	7	(9) agreed basis
Reimbursement payments	33	36	-	-	(9) agreed basis
Rental and service income	11	11	-	-	(10)(i), (ii), (iv), (v) agreement
Rental and service expenses	-	1	-	-	(10)(vi) agreement
Rental return on hotel units	-	3	-	-	(11) agreement
Resort service income	1	1	-	-	(12) agreed basis
Training charges	-	2	-	-	(8) agreed basis
Service fees	42	-	-	-	(6), (15) agreed basis
Purchase of operating assets	2	-	-	-	At net book value plus 5% markup

The nature, pricing policy and agreements relating to the above transactions are summarised below:

- (1) These charges relate to goods and services that are consumed by customers in one part of Laguna Phuket but are billed centrally to the customer at the hotel in which the customer is staying. Such charges relate to meals at restaurants, golf fees, treatments at the spa and goods purchased at shops in the resort. On receiving the funds centrally from the customer, the hotel reimburses the company in which the goods and services are consumed. Actual receipts are paid and credit card commission is charged ranging from 2% to 5% of the revenue based on the commission rate charged by the credit card companies. Such inter resort charges are also incurred at Banyan Tree Bangkok and Laguna Golf Bintan primarily for treatments at the spa, goods purchased at the shops and golf fees at golf course.
- (2) Guarantee fee among group companies for permitting their assets to be pledged as collateral for other related companies' bank loans by charging on 1% of proportion of value of pledged assets to total loan facilities.
- (3) The Company charges a management fee to its subsidiaries for providing centralised duties and services for each operation in the group. The monthly fixed rate is charged dependent on the department serviced, except the internal audit service is charged by work hours.
- (4) Loans between group companies are unsecured and are denominated in Thai Baht. The loans carry interest at a rate equal to the lenders' borrowing costs per annum (based upon commercial bank's interest rates) plus a margin of 1.1%. The loans are repayable on demand, however it is expected that those loans would not be called for repayment in the short-term. Therefore, such loans are recorded as non-current assets/liabilities in the statement of financial position.
- (5) The terms of the operating agreements are disclosed in Note 24 and consist of a royalty agreement, hotel management agreement and technical assistance agreement. The payment terms of the contracts are as follows:

Royalty fee paid for the use of "Banyan Tree", "Angsana" and "Cassia" trademarks and all other proprietary rights associated with it.

 - (i) Banyan Tree Phuket (Laguna Banyan Tree Limited), Cassia Phuket (Phuket Grande Resort Limited), Angsana Villas Resort Phuket (Bangtao Grande Limited) and Laguna Holiday Club Phuket Resort (Bangtao Grande Limited) pay a royalty fee of 2% of total revenue.

(Unaudited but reviewed)

- (ii) Banyan Tree Bangkok (Thai Wah Plaza Limited) and Angsana Laguna Phuket (Bangtao Grande Limited) pay a royalty fee of 3% of total revenue.
- (iii) Banyan Tree Gallery (Thailand) Limited and Banyan Tree Gallery (Singapore) Pte. Ltd. pay a royalty fee of 1% of total revenue.

Hotel management and technical assistance fees.

- (iv) The Technical Assistance Agreement of Banyan Tree Phuket pay a technical fee of 7.5% of gross operating profit.
- (v) The Hotel Management Agreement of Banyan Tree Bangkok and Angsana Laguna Phuket pay a hotel management fee of 10% of gross operating profit. Cassia Phuket, Angsana Villas Resort Phuket and Laguna Holiday Club Phuket Resort pay a hotel management fee of 7.5% of gross operating profit.
- (vi) In addition, pursuant to the hotel management and technical assistance agreements, expenses relating to the sharing of group marketing costs such as promotional campaigns and adverts, sales staff salaries, central reservations and international sales offices incurred by Banyan Tree and/or Angsana and/or Cassia corporate head office shall be charged as follows:
 - Group marketing services shared on a group basis are based on 2% of total actual hotel revenue.
 - Reservation service fees are 1% of room revenue plus USD 12 per booking sourced through third party channels.

All management fees are consistent with industry practice and the sharing of group marketing costs incurred by Banyan Tree Phuket, Banyan Tree Bangkok, Angsana Laguna Phuket, Angsana Villas Resort Phuket, Cassia Phuket and Laguna Holiday Club Phuket Resort are the reimbursement of costs benefiting each of the hotels. As a result, these transactions are on normal commercial terms and conditions.

- (6) The centralised service fee charges by Banyan Tree Resorts & Spas (Thailand) Company Limited in respect of providing centralised services related to accounting, purchasing, human resources, learning & development, reservation and information technology. Where the charges is based on 5% markup of actual cost, the same is applied to all hotels and business operations concerned.

- (7) These transactions relate to:
- (i) Sale of goods from Banyan Tree Gallery (Thailand) Limited to related companies is priced at a 15% to 30% discount to the retail price depending on the volume purchased.
 - (ii) Sale of guest and spa supplies of high volume purchases from companies which operate galleries to related companies is priced at cost plus up to 30% and 40% margin.
 - (iii) Sale and purchase of goods among Banyan Tree Gallery (Singapore) Pte. Ltd. and Banyan Tree Gallery (Thailand) Limited are priced at cost plus a handling fee of 5% to 20%. In this instance, they act as a purchasing agent and central purchasing for products in their countries to facilitate bulk purchasing for competitive pricing.
- (8) Training charges by Banyan Tree Hotels & Resorts (Thailand) Limited in respect of providing centralised training facilities and courses for staff. The training costs are allocated to each operation based on actual cost.
- (9) Costs are often incurred within the group which is reimbursed by the Company to which the expense relates. Actual costs are reimbursed.
- (10) Rental paid for premises and land. The rental periods are not over three years, except some transactions as stated in (10)(i).
- (i) Rental and service fee is on the basis of 5% to 10% of sales revenue which is dependent on criteria such as the location, budgeted sales, term of the lease, size of area leased and type of operation.

<u>Payee</u>	<u>Payer</u>	<u>Rental Period</u>	<u>Expiry Date</u>
BGL	BTRS(T)	30 years	November 2041

This agreement was terminated on 1 January 2021.

BGL : Bangtao Grande Limited

BTRS(T) : Banyan Tree Resorts & Spas (Thailand) Company Limited

- (ii) Rental and service income for space in Banyan Tree Phuket for Banyan Tree Spa office and store is at Baht 1,207 per square metre per month.
- (iii) Rental of space and service in Canal Village. The charges include rental and related service fees which are at market rate.
- (iv) Rental and service income earned by Thai Wah Plaza Limited for renting the office space at Thai Wah Tower I and Banyan Tree Bangkok. The charges include rental and related service fees which are at market rate.

(Unaudited but reviewed)

- (v) Service income from rental of Banyan Tree Management Academy is at Baht 136,591 per month.
- (vi) Rental of office space and service of Banyan Tree Gallery (Singapore) Pte. Limited is at SGD 3 per square feet per month.
- (11) This relates to a Management Agreement to manage the hotel units of Cheer Golden Limited in the Angsana Resort & Spa on Bintan Island, Indonesia under which Cheer Golden Limited receives a return of 15% per annum on the investment of the leasehold rights.
- (12) Resort service charged to the operations relates to revenue of Laguna Service Company Limited which provides centralised services to each operation in the group located at Laguna Phuket at the following rates:
- Water supply : at the determined price and actual usage
 - Laundry charge : at the price based on cost plus a certain margin
 - Common area services, : based on actual cost
transportation charges
 - Staff buses : at the price based on cost plus a certain margin
 - Marketing fee : at the rate of 0.75% of the operations' actual revenue
 - Community service : based on actual cost
 - Other services : at the determined price and actual usage
- (13) The Company charges a management fee to Banyan Tree Resorts & Spas (Thailand) Company Limited and Banyan Tree Hotels & Resorts (Thailand) Limited for providing administration services of information technology and human resources.
- (14) This relates to management fee charge to related companies for providing operational, visual and product training services. The fee are annual fee at SGD according to each agreement plus 15% of gross operating profit.
- (15) This relates to project management services which the fees are based on 10% markup of actual working hours in providing the service and included all cost.

The Company has contingent liabilities in respect of letters of guarantee issued to banks to guarantee facilities of its subsidiaries as follows:

(Unit: Million Baht)

	<u>30 September 2021</u>	<u>31 December 2020</u>
Overdrafts and bank guarantee facilities	106	106

(Unaudited but reviewed)

Subsidiaries have contingent liabilities in respect of letters of guarantee issued to banks to guarantee facilities of the Group as follows:

(Unit: Million Baht)

	<u>30 September 2021</u>	<u>31 December 2020</u>
Short-term loan facilities	150	150
Long-term loan facilities	900	900
Overdrafts and bank guarantee facilities	20	20

As at 30 September 2021 and 31 December 2020, the balances of the accounts between the Company and those related companies are as follows:

(Unit: Thousand Baht)

	<u>Consolidated</u>		<u>Separate</u>	
	financial statements		financial statements	
	<u>30 September</u>	<u>31 December</u>	<u>30 September</u>	<u>31 December</u>
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Amounts due from related parties				
Subsidiaries	-	-	255,483	172,060
Associated companies	959	259	-	-
Related companies (related by common shareholders)	<u>86,161</u>	<u>79,959</u>	<u>3,609</u>	<u>9,708</u>
Total amounts due from related parties (Note 3)	<u>87,120</u>	<u>80,218</u>	<u>259,092</u>	<u>181,768</u>
Amounts due to related parties				
Subsidiaries	-	-	44,640	27,686
Associated companies	-	24	-	-
Related companies (related by common shareholders)	<u>152,200</u>	<u>134,079</u>	<u>2,469</u>	<u>6,207</u>
Total amounts due to related parties (Note 14)	<u>152,200</u>	<u>134,103</u>	<u>47,109</u>	<u>33,893</u>
Dividend payable (Note 14)				
Related company (related by common shareholders)	<u>130,048</u>	<u>130,048</u>	<u>130,048</u>	<u>130,048</u>

(Unaudited but reviewed)

Long-term loans to subsidiaries and long-term loans from subsidiaries

As at 30 September 2021 and 31 December 2020, the balance of loans between the Company and those related companies and the movement are as follows:

Long-term loans to subsidiaries

(Unit: Thousand Baht)

	Separate financial statements			
	31 December		30 September	
	2020	Addition	Repayment	2021
Laguna Banyan Tree Limited	594,000	194,000	(15,000)	773,000
Laguna Holiday Club Limited	175,500	4,000	(15,000)	164,500
Laguna Lakes Limited	293,000	-	(15,000)	278,000
Laguna Grande Limited	165,000	48,000	(213,000)	-
Banyan Tree Gallery (Thailand) Limited	28,050	-	-	28,050
Total	1,255,550	246,000	(258,000)	1,243,550

Long-term loans from subsidiaries

(Unit: Thousand Baht)

	Separate financial statements			
	31 December		30 September	
	2020	Addition	Repayment	2021
Laguna (3) Limited	13,500	2,000	(4,000)	11,500
TWR-Holdings Limited	119,000	349,000	(399,000)	69,000
Laguna Grande Limited	-	119,000	(19,000)	100,000
Total	132,500	470,000	(422,000)	180,500

Long-term loan from related company

(Unit: Thousand Baht)

	Consolidated financial statements			
	31 December		30 September	
	2020	Addition	Repayment	2021
Banyan Tree Hotels & Resorts (Thailand) Limited	26,950	-	-	26,950
Total	26,950	-	-	26,950

(Unaudited but reviewed)

Directors and management's benefits

During the three-month and nine-month periods ended 30 September 2021 and 2020, the Group had employee benefit expenses of their directors and management as below.

(Unit: Thousand Baht)

	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Short-term employee benefits	18,207	18,613	10,686	9,858
Post-employment benefits	563	774	154	388
Other long-term employee benefits	9	12	3	4
Total	18,779	19,399	10,843	10,250

(Unit: Thousand Baht)

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Short-term employee benefits	53,186	54,183	30,425	23,195
Post-employment benefits	1,809	2,125	597	967
Other long-term employee benefits	29	27	9	11
Total	55,024	56,335	31,031	24,173

5. Property development cost

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2021	31 December 2020	30 September 2021	31 December 2020
Property for sale under holiday club memberships	225,999	230,156	-	-
Land	1,452,985	1,452,985	111,429	111,429
Land and property under construction	1,738,871	1,618,122	-	-
Land and completed buildings	795,759	888,444	-	-
Total	4,213,614	4,189,707	111,429	111,429
Less: Allowance for diminution in value	(24,470)	(25,001)	-	-
Property development cost, net	4,189,144	4,164,706	111,429	111,429

(Unaudited but reviewed)

Subsidiaries have mortgaged property development cost amounting to Baht 1,161 million (31 December 2020: Baht 1,486 million) as collateral against its credit facilities received from financial institutions.

6. Other non-current financial assets

(Unit: Thousand Baht)

	Consolidated financial statements	
	30 September 2021	31 December 2020
Non-listed equity instruments		
Bibace Investments Ltd.	485,951	375,369
Banyan Tree Indochina Hospitality Fund, L.P.	374,718	337,812
Total other non-current financial assets	<u>860,669</u>	<u>713,181</u>

The Group has elected to measure these non-listed equity instruments at fair value through other comprehensive income due to the Group's intention to hold these equity instruments for long-term appreciation.

7. Long-term trade accounts receivable

Long-term trade accounts receivable consists of:

- 7.1 Installments receivable from property sales which bear interest at rates of 0.0% - 7.0% and MLR plus 0.5% per annum (31 December 2020: 5.0% - 7.0% and MLR plus 0.5% per annum) and installments are repaid over a period of 3 to 10 years.
- 7.2 Installments receivable from sales of holiday club memberships which bear interest at a rate of 9.0% per annum and installments are repaid over a period of 5 years.

Long-term trade accounts receivable are due as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	
	30 September 2021	31 December 2020
Current portion of long-term trade		
accounts receivable - net	316,694	336,068
Long-term trade accounts receivable - net	521,854	723,503
Total	<u>838,548</u>	<u>1,059,571</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements	
	30 September 2021	31 December 2020
Sales of property		
Within 1 year (Note 3)	317,426	335,992
Less: Deferred interest income	(732)	-
Net	316,694	335,992
Over 1 year to 5 years	523,157	723,503
Less: Deferred interest income	(1,303)	-
Net	521,854	723,503
Long-term trade accounts receivable - sales of property	838,548	1,059,495
Sales of holiday club memberships		
Within 1 year (Note 3)	-	76
Long-term trade accounts receivable - sales of holiday club memberships	-	76
Total	838,548	1,059,571

8. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

Company's name	Paid-up capital		Shareholding percentage		Cost	
	30 September 2021	31 December 2020	30 September 2021	31 December 2020	30 September 2021	31 December 2020
	Million Baht	Million Baht	%	%	Million Baht	Million Baht
Subsidiaries held by the Company						
Banyan Tree Gallery (Singapore) Pte. Ltd.	SGD 0.43	SGD 0.43	51.0	51.0	4.0	4.0
Banyan Tree Gallery (Thailand) Limited	7.8	7.8	51.0	51.0	4.0	4.0
Laguna Banyan Tree Limited ⁽¹⁾	1,500.0	1,500.0	100.0	100.0	1,325.1	1,325.1
Laguna Holiday Club Limited	330.0	330.0	100.0	100.0	330.0	330.0
Laguna Grande Limited ⁽²⁾	1,000.0	1,000.0	100.0	100.0	958.5	958.5
Laguna Lakes Limited	1.0	1.0	95.0	95.0	0.9	0.9
Laguna Service Company Limited ⁽³⁾	90.5	90.5	72.9	72.9	22.4	22.4
Laguna (3) Limited	0.1	0.1	100.0	100.0	47.8	47.8
TWR-Holdings Limited	1,550.0	1,550.0	100.0	100.0	1,550.0	1,550.0

(Unaudited but reviewed)

Company's name	Paid-up capital		Shareholding percentage		Cost	
	30 September 2021	31 December 2020	30 September 2021	31 December 2020	30 September 2021	31 December 2020
	Million Baht	Million Baht	%	%	Million Baht	Million Baht
<u>Subsidiaries held through TWR-Holdings Limited</u>						
Laguna Excursions Limited	8.0	8.0	49.0	49.0	-	-
Laguna Village Limited	179.0	179.0	100.0	100.0	-	-
Mae Chan Property Company Limited	232.3	232.3	100.0	100.0	-	-
Pai Samart Development Company Limited	28.4	28.4	100.0	100.0	-	-
Phuket Grande Resort Limited	100.0	100.0	100.0	100.0	-	-
PT AVC Indonesia	USD 7.0	USD 7.0	100.0	100.0	-	-
	Million	Million				
Talang Development Company Limited	251.0	251.0	50.0	50.0	-	-
Thai Wah Plaza Limited	2,250.0	2,250.0	100.0	100.0	-	-
Thai Wah Tower Company Limited	455.0	455.0	100.0	100.0	-	-
Thai Wah Tower (2) Company Limited	21.0	21.0	100.0	100.0	-	-
Twin Waters Limited	214.4	214.4	100.0	100.0	-	-
<u>Subsidiaries held through Laguna Grande Limited</u>						
Bangtao (1) Limited	20.9	20.9	100.0	100.0	-	-
Bangtao (2) Limited	19.1	19.1	100.0	100.0	-	-
Bangtao (3) Limited	7.8	7.8	100.0	100.0	-	-
Bangtao (4) Limited	14.6	14.6	100.0	100.0	-	-
Bangtao Laguna Limited	80.0	80.0	100.0	100.0	-	-
Bangtao Grande Limited	1,546.0	1,546.0	100.0	100.0	-	-
Vision 9 Farm Limited	2.0	2.0	60.0	60.0	-	-
<u>Subsidiary held through Laguna Holiday Club Limited</u>						
Cheer Golden Limited	-	-	100.0	100.0	-	-
Total investments in subsidiaries					<u>4,242.7</u>	<u>4,242.7</u>

(1) Laguna Banyan Tree Limited is held 49.0% by the Company and 51.0% through Bangtao Grande Limited.

(2) Laguna Grande Limited is held 85.4% by the Company and 14.6% through Laguna Holiday Club Limited and Mae Chan Property Company Limited.

(3) Laguna Service Company Limited is held 24.7% by the Company and 48.2% through Bangtao Grande Limited and Laguna Banyan Tree Limited.

During the three-month and nine-month periods ended 30 September 2021 and 2020, the Company received dividend income from its subsidiary as detailed below.

(Unit: Thousand Baht)

Company's name	Separate financial statements			
	For the three-month periods		For the nine-month periods	
	ended 30 September 2021	ended 30 September 2020	ended 30 September 2021	ended 30 September 2020
Banyan Tree Gallery (Singapore) Pte. Ltd.	2,494	-	2,494	-
Total	<u>2,494</u>	<u>-</u>	<u>2,494</u>	<u>-</u>

A subsidiary has a 49% shareholding in Laguna Excursions Limited. However, the subsidiary has recognised its share of the profits of this subsidiary at 100% after deducting the cumulative preferential annual dividend of 15% of the par value of the preference shares, in accordance with the income sharing percentage in the Articles of Association.

(Unaudited but reviewed)

Detail of investment in subsidiary that has material non-controlling interests.

(Unit: Thousand Baht)

Company's name	Proportion of equity interest held by non-controlling interests		Dividend paid to non-controlling interests during the period	
	2021	2020	2021	2020
	(%)	(%)		
Banyan Tree Gallery (Singapore) Pte. Ltd.	49.0	49.0	2,268	-
Total			2,268	-

9. Investments in associates

9.1 Details of associates

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			30 September 2021	31 December 2020	30 September 2021	31 December 2020	30 September 2021	31 December 2020
			(%)	(%)				
Tropical Resorts Ltd.	Holding company	Hong Kong	25.87	25.87	17,673	17,673	-	-
Less: Allowance for impairment of investment					(17,673)	(17,673)	-	-
					-	-	-	-
Banyan Tree China Pte. Ltd.	Holding company	Singapore	10.69	10.69	173,495	173,495	216,889	216,899
Thai Wah Public Company Limited	Manufacture and distribution of vermicelli, tapioca starch and other food products	Thailand	10.03	10.03	777,454	777,454	764,120	743,475
Total investments in associates - net					950,949	950,949	981,009	960,374

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Separate financial statements					
			Shareholding percentage		Cost			
			30 September 2021	31 December 2020	30 September 2021	31 December 2020		
			(%)	(%)				
Thai Wah Public Company Limited	Manufacture and distribution of vermicelli, tapioca starch and other food products	Thailand	10.03	10.03	777,454	777,454		
Total					777,454	777,454		

As at 30 September 2021 and 31 December 2020, the Company has pledged the 10 million ordinary shares of Thai Wah Public Company Limited with a bank to secure a long-term loan of the Company.

(Unaudited but reviewed)

9.2 Share of comprehensive income (loss) and dividend received

During the three-month and nine-month periods ended 30 September 2021 and 2020, the Company and subsidiary have recognised their share of comprehensive income (loss) from investments in associate companies in the consolidated financial statements and dividend income in separate financial statements as follows:

(Unit: Thousand Baht)

Company's name	For the three-month periods ended 30 September					
	Consolidated financial statements				Separate financial statements	
	Share of profit (loss) from investments in associates		Share of other comprehensive income from investments in associates		Dividend received	
	2021	2020	2021	2020	2021	2020
Banyan Tree China Pte. Ltd.	(7)	(1,161)	-	-	-	-
Thai Wah Public Company Limited	3,049	(2,612)	4,175	440	-	-
Total	<u>3,042</u>	<u>(3,773)</u>	<u>4,175</u>	<u>440</u>	<u>-</u>	<u>-</u>

(Unit: Thousand Baht)

Company's name	For the nine-month periods ended 30 September					
	Consolidated financial statements				Separate financial statements	
	Share of profit (loss) from investments in associates		Share of other comprehensive income (loss) from investments in associates		Dividend received	
	2021	2020	2021	2020	2021	2020
Banyan Tree China Pte. Ltd.	(10)	(301)	-	-	-	-
Thai Wah Public Company Limited	22,744	2,472	9,739	(626)	11,838	11,838
Total	<u>22,734</u>	<u>2,171</u>	<u>9,739</u>	<u>(626)</u>	<u>11,838</u>	<u>11,838</u>

9.3 Fair value of investments in a listed associate

In respect of investment in an associated company that is a listed company on the Stock Exchange of Thailand, its fair value is as follows:

(Unit: Million Baht)

Associate	Fair values as at	
	30 September 2021	31 December 2020
	Thai Wah Public Company Limited	495

10. Investment properties

As at 30 September 2021, the subsidiaries have pledged investment properties amounting to approximately Baht 844 million (31 December 2020: Baht 844 million) as collateral against credit facilities received from financial institutions and as security deposit for the litigation.

(Unaudited but reviewed)

11. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
At cost / revaluation value		
Balance as at 31 December 2020	18,104,983	143,974
Additions	46,244	1,507
Disposals and write off	(47,071)	-
Transfer from investment properties	28,354	-
Translation adjustment	(32)	(40)
Balance as at 30 September 2021	18,132,478	145,441
Accumulated depreciation		
Balance as at 31 December 2020	(5,295,209)	(99,364)
Depreciation for the period	(321,649)	(3,957)
Disposals and write off	39,106	-
Translation adjustment	2,910	-
Balance as at 30 September 2021	(5,574,842)	(103,321)
Allowance for impairment loss		
Balance as at 31 December 2020	(156,365)	(2,920)
Translation adjustment	(2,784)	-
Balance as at 30 September 2021	(159,149)	(2,920)
Net book value		
Balance as at 31 December 2020	12,653,409	41,690
Balance as at 30 September 2021	12,398,487	39,200

The Group arranged for an independent professional valuer to re-appraise the value of certain assets in the report dated 28 December 2020 on an asset-by-asset basis. The basis of the revaluation was as follows:

- Land was revalued using the Market Approach.
- Buildings were revalued using the Replacement Cost Approach or Income Approach.

The subsidiaries have mortgaged land and buildings at fair value of Baht 8,762 million (31 December 2020: Baht 8,948 million) as collateral against credit facilities received from financial institutions.

(Unaudited but reviewed)

12. Right-of-use assets

Movements of the right-of-use assets account during the nine-month period ended 30 September 2021 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 31 December 2020	56,541	3,039
Additions	7,129	1,789
Depreciation for the period	(20,903)	(2,653)
Impairment	(1,867)	(625)
Translation adjustment	1,347	-
Net book value as at 30 September 2021	42,247	1,550

13. Bank overdrafts and short-term loans from financial institutions

Bank overdrafts carry interest rate of MOR per annum.

Short-term loans from financial institutions represent promissory notes with maturity dates within 3 months. Short-term loans from financial institutions carry interest rate of 1.80% - 5.47% per annum (31 December 2020: 1.85% - 5.47% per annum).

These bank overdrafts and short-term loans from financial institutions are secured by the mortgage of plots of land and buildings of its subsidiaries, as described in Note 11 and by the guarantee provided by subsidiaries.

14. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2021	31 December 2020	30 September 2021	31 December 2020
Trade accounts payable	419,516	603,354	3,245	4,225
Accrued construction	4,371	5,924	-	-
Amounts due to related parties (Note 4)	152,200	134,103	47,109	33,893
Accrued expenses	369,719	174,125	75,819	13,809
Dividend payable (Note 4)	130,048	130,048	130,048	130,048
Other payables	246,325	262,888	2,262	880
Service charge payable to hotel staffs	4,165	5,057	-	-
Accrued rental to villa owners	86,776	81,239	5,394	4,379
Total	1,413,120	1,396,738	263,877	187,234

(Unaudited but reviewed)

15. Lease liabilities

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2021	2020	2021	2020
Lease payments	85,069	84,040	7,731	6,265
Less: Deferred interest expenses	(4,454)	(5,230)	(82)	(131)
Total	80,615	78,810	7,649	6,134
Less: Current portion	(47,095)	(40,168)	(6,877)	(6,017)
Lease liabilities - net of current portion	33,520	38,642	772	117

The Group has entered into lease agreements to lease villas/units and various items of machinery and equipment for use in their hotel operations. The term of agreements are generally between 2 - 6 years.

Future minimum lease payments required under the lease agreements were as follows:

(Unit: Thousand Baht)

	Consolidated financial statement		
	30 September 2021		
	Less than		
	1 year	1 - 5 years	Total
Future minimum lease payments	49,441	35,628	85,069
Deferred interest expenses	(2,346)	(2,108)	(4,454)
Present value of future minimum lease payments	47,095	33,520	80,615

(Unit: Thousand Baht)

	Separate financial statement		
	30 September 2021		
	Less than		
	1 year	1 - 5 years	Total
Future minimum lease payments	6,936	795	7,731
Deferred interest expenses	(59)	(23)	(82)
Present value of future minimum lease payments	6,877	772	7,649

(Unaudited but reviewed)

16. Other current liabilities

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	September	December	September	December
	2021	2020	2021	2020
Value added tax payable	62,295	53,086	9,928	8,076
Unearned income	18,808	27,997	-	-
Specific business tax payable	130,987	134,297	4,379	4,379
Other tax payable	8,316	11,405	604	423
Total	220,406	226,785	14,911	12,878

17. Long-term loans from financial institutions

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	September	December	September	December
	2021	2020	2021	2020
Long-term loans from financial institutions	5,165,249	5,108,452	1,359,750	1,359,750
Less: Deferred financial fees	(12,239)	(13,382)	(4,958)	(5,555)
Long-term loans from financial institutions, net	5,153,010	5,095,070	1,354,792	1,354,195
Less: Current portion	(658,357)	(737,411)	(27,750)	(26,500)
Long-term loans from financial institutions, net of current portion	4,494,653	4,357,659	1,327,042	1,327,695

Movements in the long-term loans account during the nine-month period ended 30 September 2021 are summarised below:

(Unit: Thousand Baht)

	Consolidated	Separate
	financial statements	financial statements
Balance as at 31 December 2020	5,108,452	1,359,750
Add: Draw down	295,278	-
Less: Repayments	(238,481)	-
Balance as at 30 September 2021	5,165,249	1,359,750

(Unaudited but reviewed)

The loans are secured by mortgage of plots of land and buildings of its subsidiaries, as described in Notes 5, 10 and 11. Certain loans are guaranteed by its subsidiaries and the pledge of the 10 million ordinary shares of Thai Wah Public Company Limited, as described in Note 9.1.

The loan agreements contain several covenants which, among other things, require the Group to maintain debt to equity ratios and debt service coverage ratios at the rate prescribed in the agreements.

As at 30 September 2021, the long-term credit facilities of the subsidiaries which have not yet been drawn down amounting to Baht 1,125 million (31 December 2020: Baht 1,086 million).

During the period, the Group received relief from a financial institution to extend grace period on principal repayment and to suspend interest period of 13 loan agreements until December 2021. The principal repayment which is postponed during the grace period amounting to Baht 333 million. The suspended principal payments are to be paid on a quarterly basis after such grace period. The suspended interest payments are to be paid on a monthly basis starting from January to December 2022. Up to present, the amendment of 13 loan agreements are already approved.

18. Revenue from contracts with customers

(Unit: Thousand Baht)

	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2021	2020	2021	2020
Revenue from contracts with customers:				
Revenue from hotel operations	138,059	109,408	-	-
Revenue from property development operations	102,353	68,434	-	-
Revenue from office rental operations - service income	1,250	1,478	278	195
Management fee income	-	1,098	13,040	23,711
Total revenue from contracts with customers	241,662	180,418	13,318	23,906
Revenue from office rental operations - rental income	5,536	5,378	771	834
Dividend income	-	-	2,494	-
Others	4,707	2,830	705	265
Total revenues	251,905	188,626	17,288	25,005

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the three-month periods ended 30 September

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Timing of revenue recognition:				
Revenue recognised at a point in time	223,120	158,310	-	-
Revenue recognised over time	18,542	22,108	13,318	23,906
Total revenue from contracts with customers	<u>241,662</u>	<u>180,418</u>	<u>13,318</u>	<u>23,906</u>

(Unit: Thousand Baht)

For the nine-month periods ended 30 September

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Revenue from contracts with customers:				
Revenue from hotel operations	348,643	1,048,560	-	14,011
Revenue from property development operations	509,348	349,110	-	-
Revenue from office rental operations - service income	3,937	5,910	653	1,336
Management fee income	-	3,294	38,468	71,133
Total revenue from contracts with customers	<u>861,928</u>	<u>1,406,874</u>	<u>39,121</u>	<u>86,480</u>
Revenue from office rental operations - rental income	16,568	23,261	2,256	6,861
Dividend income	-	-	14,332	11,838
Others	27,699	9,295	4,224	2,065
Total revenues	<u>906,195</u>	<u>1,439,430</u>	<u>59,933</u>	<u>107,244</u>

Timing of revenue recognition:

Revenue recognised at a point in time	802,909	1,324,483	-	14,011
Revenue recognised over time	59,019	82,391	39,121	72,469
Total revenue from contracts with customers	<u>861,928</u>	<u>1,406,874</u>	<u>39,121</u>	<u>86,480</u>

(Unaudited but reviewed)

Set out below is a reconciliation of the revenue from contracts with customers with the amounts disclosed in Note 26 relating to the segment information:

(Unit: Thousand Baht)

For the three-month periods ended 30 September

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2021	2020	2021	2020
Revenue from external customers	241,850	179,404	255	1,285
Intersegment revenues	30,435	33,960	13,063	22,621
	272,285	213,364	13,318	23,906
Adjustments and eliminations	(30,623)	(32,946)	-	-
Total revenue from contracts with customers	<u>241,662</u>	<u>180,418</u>	<u>13,318</u>	<u>23,906</u>

(Unit: Thousand Baht)

For the nine-month periods ended 30 September

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2021	2020	2021	2020
Revenue from external customers	861,701	1,402,810	576	18,361
Intersegment revenues	89,087	139,624	38,545	68,119
	950,788	1,542,434	39,121	86,480
Adjustments and eliminations	(88,860)	(135,560)	-	-
Total revenue from contracts with customers	<u>861,928</u>	<u>1,406,874</u>	<u>39,121</u>	<u>86,480</u>

19. Other income

(Unit: Thousand Baht)

For the three-month periods ended 30 September

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2021	2020	2021	2020
Dividend income	-	-	2,494	-
Management fee income	-	1,098	13,040	23,711
Gain on sales of property, plant and equipment	78	2,744	-	-
Others	4,629	86	705	265
Total	<u>4,707</u>	<u>3,928</u>	<u>16,239</u>	<u>23,976</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the nine-month periods ended 30 September

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Dividend income	-	-	14,332	11,838
Management fee income	-	3,294	38,468	71,133
Gain on sales of property, plant and equipment	15,020	2,862	-	-
Others	12,679	6,433	4,224	2,065
Total	<u>27,699</u>	<u>12,589</u>	<u>57,024</u>	<u>85,036</u>

20. Finance cost

(Unit: Thousand Baht)

For the three-month periods ended 30 September

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Interest expense under effective interest method	54,567	53,660	19,772	18,333
Interest expense on lease liabilities	825	677	41	77
Total	<u>55,392</u>	<u>54,337</u>	<u>19,813</u>	<u>18,410</u>

(Unit: Thousand Baht)

For the nine-month periods ended 30 September

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Interest expense under effective interest method	180,139	177,710	57,786	64,747
Interest expense on lease liabilities	2,306	2,236	167	267
Total	<u>182,445</u>	<u>179,946</u>	<u>57,953</u>	<u>65,014</u>

(Unaudited but reviewed)

21. Income tax

Interim corporate income tax was calculated on profit (loss) before income tax for the period, using the estimated effective tax rate for the year.

Income tax (revenue) expenses for the three-month and nine-month periods ended 30 September 2021 and 2020 are made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Current income tax:				
Interim corporate income tax charge	8,440	3,369	-	-
Adjustment in respect of income tax of previous year	99	2,359	-	-
Write off prepaid withholding tax	615	-	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	17,204	(1,846)	1,347	(770)
Income tax (revenue) expenses reported in the income statement	26,358	3,882	1,347	(770)

(Unit: Thousand Baht)

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Current income tax:				
Interim corporate income tax charge	25,962	18,225	-	-
Adjustment in respect of income tax of previous year	1,118	2,450	-	-
Write off prepaid withholding tax	615	-	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	22,790	91,053	(851)	13,620
Income tax (revenue) expenses reported in the income statement	50,485	111,728	(851)	13,620

(Unaudited but reviewed)

22. Basic earnings per share

Basic earnings per share is calculated by dividing loss for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Loss attributable to equity holders of the Company (Thousand Baht)	(279,229)	(275,011)	(21,964)	(389)
Weighted average number of ordinary shares (Thousand shares)	166,683	166,683	166,683	166,683
Loss per share (Baht/share)	(1.68)	(1.65)	(0.13)	(0.002)

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Loss attributable to equity holders of the Company (Thousand Baht)	(767,202)	(824,682)	(57,016)	(4,985)
Weighted average number of ordinary shares (Thousand shares)	166,683	166,683	166,683	166,683
Loss per share (Baht/share)	(4.60)	(4.95)	(0.34)	(0.03)

23. Dividend

Dividend declared in nine-month period ended 30 September 2020 consist of:

	Approved by	Total dividends (Million Baht)	Dividend per
			share (Baht)
Dividends on 2019 retained earnings	Annual General Meeting of the shareholders on 27 April 2020	500.04	3.00

24. Commitments

Capital commitment

As at 30 September 2021, the Group has capital commitments as follows:

- a) The subsidiaries have commitments in respect of constructing new and renovating existing hotel properties amounting to Baht 89 million (31 December 2020: Baht 101 million).
- b) The subsidiaries have commitments that relate to projects to develop properties for sale amounting to Baht 1,657 million (31 December 2020: Baht 1,632 million).

Operating agreements

As at 30 September 2021, the Group has operating agreements as follows:

- a) The subsidiaries have entered into operating agreements with certain companies whereby these companies are to operate the subsidiaries' hotel business. In consideration of such services, the subsidiaries are committed to pay remuneration at the rates, terms and basis specified in the agreements. These agreements are summarised below:

Company	Business unit	Operator	Contract period	Fees
Bangtao Grande Limited	Angsana Laguna Phuket	Banyan Tree Hotels & Resorts Pte. Limited	1.7.2012 - 30.11.2031	- Royalty fee: 3% of total revenue
		Banyan Tree Hotels & Resorts (Thailand) Limited	1.7.2012 - 30.11.2031	- Management fee: 10% of gross operating profit (b)
		Banyan Tree Marketing Group Pte. Ltd.	1.7.2012 - 30.11.2031	- Group Marketing service fee: 2% of total actual hotel revenue*
	Angsana Villas Resort Phuket	Banyan Tree Hotels & Resorts Pte. Limited	1.8.2016 - 31.7.2041	- Royalty fee: 2% of total revenue
		Banyan Tree Hotels & Resorts (Thailand) Limited	1.8.2016 - 31.7.2041	- Management fee: 7.5% of gross operating profit (c)
		Banyan Tree Marketing Group Pte. Ltd.	1.8.2016 - 31.7.2041	- Group Marketing service fee: 2% of total actual hotel revenue
	Laguna Holiday Club Phuket Resort	Banyan Tree Hotels & Resorts Pte. Limited	19.10.2015 - 18.10.2035	- Royalty fee: 2% of total revenue
		Banyan Tree Hotels & Resorts (Thailand) Limited	19.10.2015 - 18.10.2035	- Management fee: 7.5% of gross operating profit (a)

(Unaudited but reviewed)

Company	Business unit	Operator	Contract period	Fees
Laguna Banyan Tree Limited	Banyan Tree Phuket	Banyan Tree Hotels & Resorts Pte. Limited	1.1.2016 - 31.12.2025	- Royalty fee: 2% of total revenue
		Banyan Tree Hotels & Resorts (Thailand) Limited	1.1.2016 - 31.12.2025	- Technical fee: 7.5% of gross operating profit
		Banyan Tree Marketing Group Pte. Ltd.	1.1.2016 - 31.12.2025	- Group Marketing service fee: 2% of total actual hotel revenue*
Thai Wah Plaza Limited	Banyan Tree Bangkok	Banyan Tree Hotels & Resorts Pte. Limited	1.7.2012 - 31.12.2021	- Royalty fee: 3% of total revenue
		Banyan Tree Hotels & Resorts (Thailand) Limited	1.7.2012 - 31.12.2021	- Management fee: 10% of gross operating profit
		Banyan Tree Marketing Group Pte. Ltd.	1.7.2012 - 31.12.2021	- Group Marketing service fee: 2% of total actual hotel revenue*
Phuket Grande Resort Limited	Cassia Phuket	Banyan Tree Hotels & Resorts Pte. Limited	20.10.2015 - 19.10.2040	- Royalty fee: 2% of total revenue
		Banyan Tree Hotels & Resorts (Thailand) Limited	20.10.2015 - 19.10.2040	- Management fee: 7.5% of gross operating profit
		Banyan Tree Marketing Group Pte. Ltd.	20.10.2015 - 19.10.2040	- Group Marketing service fee: 2% of total actual hotel revenue*
Banyan Tree Gallery (Singapore) Pte. Ltd.	Gallery	Banyan Tree Hotels & Resorts Pte. Limited	1.1.2009 onwards	- Royalty fee: 1% of total revenue
Banyan Tree Gallery (Thailand) Limited	Gallery	Banyan Tree Hotels & Resorts Pte. Limited	1.1.2009 onwards	- Royalty fee: 1% of total revenue

(a) Operator has option to extend for 1 additional period of 10 years.

(b) Operator has option to extend for 1 additional period of 20 years.

(c) Either party may extend the contract period for another 20 years with indefinite number of extension.

* The rate has been applied since 1 July 2016.

b) The Group has entered into several service and lease agreements in respect of machinery, motor vehicles and equipment. The terms of the agreements are generally between 1 to 5 years.

As at 30 September 2021, the Group has future minimum payments under service agreement, short-term leases and lease of low-value assets amounting to Baht 16 million (31 December 2020: Baht 18 million) (the Company only: Baht 1 million, 31 December 2020: Baht 1 million).

(Unaudited but reviewed)

- c) As at 30 September 2021 and 31 December 2020, the subsidiaries have future lease payments required under these non-cancellable lease contracts related to villa/unit rental scheme agreements which have not yet commenced as follows:

(Unit: Million Baht)

	Consolidated financial statements	
	30 September	31 December
	2021	2020
Payable within:		
In up to 1 year	-	1
In over 1 and up to 5 years	1	4

Servitude over land

As at 30 September 2021, some subsidiaries have land servitude of approximately 11 rai (31 December 2020: 11 rai) in Phuket province, which are presented under property development cost and property, plant and equipment.

25. Guarantees

As at 30 September 2021, there were bank guarantees amounting to Baht 51 million (31 December 2020: Baht 50 million) issued to various parties on behalf of the Group, mainly provided for the usage of electricity, other utilities and telecommunication channels (the Company only: Baht 0.4 million, 31 December 2020: Baht 0.4 million).

26. Segment information

The Group is organised into business units based on its products and services. During the period, the Group has not changed the organisation of their reportable segments.

The following tables present revenues and profit (loss) information regarding the Group segments for the three-month and nine-month periods ended 30 September 2021 and 2020 as follows:

(Unaudited but reviewed)

(Unit: Million Baht)

	For the three-month period ended 30 September 2021				
	Hotel Business	Property Development	Office Rental	Head Office	Total
Revenues:					
Segment revenues					
Total revenues	157	102	8	-	267
Intersegment revenues	(18)	-	(2)	-	(20)
Revenue from external customers	<u>139</u>	<u>102</u>	<u>6</u>	<u>-</u>	<u>247</u>
Results:					
Segment results	<u>(187)</u>	<u>(6)</u>	<u>2</u>	<u>(28)</u>	(219)
Unallocated income					5
Loss from operations and other income					(214)
Finance income	-	12	-	-	12
Finance cost	(33)	(5)	-	(18)	(56)
Share of profit from investments in associates					<u>3</u>
Loss before income tax expenses					(255)
Income tax revenue (expenses)	(25)	(17)	-	16	<u>(26)</u>
Loss for the period					<u>(281)</u>

(Unit: Million Baht)

	For the three-month period ended 30 September 2020				
	Hotel Business	Property Development	Office Rental	Head Office	Total
Revenues:					
Segment revenues					
Total revenues	121	69	9	-	199
Intersegment revenues	(11)	(1)	(2)	-	(14)
Revenue from external customers	<u>110</u>	<u>68</u>	<u>7</u>	<u>-</u>	<u>185</u>
Results:					
Segment results	<u>(185)</u>	<u>(5)</u>	<u>1</u>	<u>(45)</u>	(234)
Unallocated income					4
Loss from operations and other income					(230)
Finance income	-	13	-	-	13
Finance cost	(20)	(18)	-	(16)	(54)
Share of loss from investments in associates					<u>(4)</u>
Loss before income tax expenses					(275)
Income tax revenue (expenses)	(13)	(13)	-	22	<u>(4)</u>
Loss for the period					<u>(279)</u>

(Unaudited but reviewed)

(Unit: Million Baht)

	For the nine-month period ended 30 September 2021				
	Hotel Business	Property Development	Office Rental	Head Office	Total
Revenues:					
Segment revenues					
Total revenues	402	511	26	-	939
Intersegment revenues	(53)	(2)	(6)	-	(61)
Revenue from external customers	<u>349</u>	<u>509</u>	<u>20</u>	<u>-</u>	<u>878</u>
Results:					
Segment results	<u>(621)</u>	<u>69</u>	<u>1</u>	<u>(72)</u>	<u>(623)</u>
Unallocated income					28
Loss from operations and other income					(595)
Finance income	-	36	-	-	36
Finance cost	(99)	(30)	-	(54)	(183)
Share of profit from investments in associates					23
Loss before income tax expenses					(719)
Income tax revenue (expenses)	(24)	(40)	-	14	(50)
Loss for the period					<u>(769)</u>

(Unit: Million Baht)

	For the nine-month period ended 30 September 2020				
	Hotel Business	Property Development	Office Rental	Head Office	Total
Revenues:					
Segment revenues					
Total revenues	1,119	355	37	-	1,511
Intersegment revenues	(70)	(6)	(8)	-	(84)
Revenue from external customers	<u>1,049</u>	<u>349</u>	<u>29</u>	<u>-</u>	<u>1,427</u>
Results:					
Segment results	<u>(383)</u>	<u>(115)</u>	<u>-</u>	<u>(98)</u>	<u>(596)</u>
Unallocated income					13
Loss from operations and other income					(583)
Finance income	-	40	-	-	40
Finance cost	(70)	(55)	-	(55)	(180)
Share of profit from investments in associates					2
Loss before income tax expenses					(721)
Income tax revenue (expenses)	(113)	(2)	-	3	(112)
Loss for the period					<u>(833)</u>

(Unaudited but reviewed)

27. Financial instruments

27.1 Fair value of financial instruments

The methods and assumptions used by the Group in estimating the fair value of financial instruments are as follows:

- a) For financial assets and liabilities which have short-term maturities, including cash and cash at banks, accounts receivable and accounts payable, their carrying amounts in the statement of financial position approximate their fair value.
- b) The fair value of equity securities is generally derived from quoted market prices, or based on generally accepted pricing models when no market price is available.
- c) The carrying amounts of short-term and long-term loans carrying interest at rates approximating the market rate, in the statement of financial position approximates their fair value.

27.2 Fair value hierarchy

As at 30 September 2021, the Group had the financial assets that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated financial statements			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Non-listed equity investments	-	-	861	861

During the period, there were no changes in methods and assumptions used by the Group in estimating the fair value of financial instruments and no transfers within the fair value hierarchy.

27.3 Reconciliation of recurring fair value measurements categorised within Level 3 of the fair value hierarchy

(Unit: Thousand Baht)

	Consolidated financial statements	
	Non-listed equity investments	
Balance as at 31 December 2020		713,181
Gain recognised into other comprehensive income		147,488
Balance as at 30 September 2021		860,669

28. Foreign currency assets/liabilities

The outstanding balances of the Group financial assets and liabilities denominated in foreign currency are as follows:

Foreign currency	Consolidated financial statements				Separate financial statements				Average exchange rate as at	
	Financial assets as at		Financial liabilities as at		Financial assets as at		Financial liabilities as at		30	31
	30	31	30	31	30	31	30	31	30	31
	September 2021	December 2020	September 2021	December 2020	September 2021	December 2020	September 2021	December 2020	September 2021	December 2020
	(Million)	(Million)	(Million)	(Million)	(Million)	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)
US Dollar	2	1	1	1	-	-	-	-	33.8749	29.9909
SGD	-	-	1	1	-	-	-	-	24.8924	22.6232

29. Litigations

29.1 Two subsidiaries were sued by a former buyer of property sales project and claimed for refund of her payment in the amount of Baht 4.1 million plus interest 15% calculated from Baht 2.9 million from the plaint date.

On 15 August 2018, the Phuket Provincial Court ordered both subsidiaries to return Baht 1.4 million to the plaintiff plus interest 7.5% from the plaint date until both subsidiaries have made full payment.

On 26 February 2019, the Appeal Court confirmed the judgement of the Phuket Provincial Court.

On 21 June 2019, the subsidiaries submitted the appeal statement to the Supreme Court.

As at 31 December 2020, the subsidiaries set aside a provision of Baht 1.8 million for liabilities arising as a result of this case.

On 28 April 2021, the Supreme Court passed its judgement ordering both subsidiaries to make a repayment of Baht 1.4 million plus interest 7.5% per annum to the plaintiff from the date the ruling was delivered (28 April 2021) until full payment was completed.

As of 30 June 2021, the subsidiaries made a full payment and the case is deemed final.

29.2 The Company was sued by a former shop lessee that the Company has breached the lease agreement and claimed for compensation of Baht 3.9 million plus interest 7.5% from the plaint date. However, the Phuket Provincial court and the Appeal court dismissed the case.

As of 30 June 2021, the Supreme Court did not accept this case to their consideration. Therefore, the case is deemed final.

29.3 A subsidiary was sued by a buyer of property sales project and claimed for refund of his payment in the amount of Baht 20.8 million plus interest 7.5% calculated from Baht 17.1 million from the plaint date. Currently, the Phuket Provincial Court schedules for the witness hearing in December 2021. The subsidiary does not set up provision for this case.

(Unaudited but reviewed)

29.4 A subsidiary was sued by a contractor and claimed for service fees of additional works on a hotel renovation in the amount of Baht 5.0 million plus interest 7.5% calculated from Baht 4.5 million from the plaint date. The subsidiary submitted the counter statement by 4 November 2021 and the Phuket Provincial Court set the first mediation on 20 December 2021. The subsidiary does not set up provision for this case.

30. Approval of interim financial information

This interim financial information was authorised for issue by the Company's Board of Directors on 12 November 2021.